Coal shortage

1890. MS. PRAMILA BOHIDAR: Will the PRIME MINISTER be pleased to state:

(a) whether there is an acute shortage of coal supply in the country, more so in Orissa,

(b) if so, whether as a result of this industrial production of iron, steel and other metals have been affected severely; and

(c) what are the reasons for this shortage despite a vast reserve of coal of 250 billion tonnes and lignite of 36 billion tonnes in the country?

THE MINISTER OF STATE IN THE MINISTRY OF COAL (DR. DASARI NARAYAN RAO): (a) There is a gap between demand and indigenous supply of coal. This gap also affects the State of Orissa on pro-rata basis. Coal companies have taken adequate steps to enhance production from 323 million tonnes of coal during 2004-05 to 343 million tonnes projected for the year 2005-06. Despite this there is likely to be a gap of about 39 million tonnes of indigenous coal in the country. This gap is proposed to be met through imports of about 31 million tonnes and by making efforts to increase domestic production.

(b) In order to minimize the impact of shortage of coal and to help industries meet their requirement, Government has also reduced import duty to 5% for all grades of coal except coking coal with ash less than 12% on which import duty has been abolished.

(c) Production of coal is based on Annual Action Plan targets set by the Planning Commission and over the years coal companies have achieved 6% production growth. Coal production has a long gestation period. When coal production is planned based on estimated demand by the Planning Commission and the actual demand exceeds the estimation, the mismatch occurs.

Loading work in Gevara/dipka mines

†1891. SHRI RAMADHAR KASHYAP: Will the PRIME MINISTER be pleased to state:

(a) whether the work of loading in Gevara/Dipka coal mines of SECL has been entrusted to ESM (Ex-servicemen) companies;

†Original notice of the question was received in Hindi.